

NCI-FREDERICK

**SAIC-FREDERICK, INC.
I.M.P.A.C. INTERNAL POLICY AND
PROCEDURES**



I.M.P.A.C. Government Services



July 2006

I.M.P.A.C. INTERNAL PROCEDURES

July 2006

TABLE OF CONTENTS

Acquisition and Logistical Services

| |
|--|
| <u>Introduction</u> |
| <u>Definitions</u> |
| <u>Training</u> |
| <u>Standards of Conduct</u> |
| <u>Procurement Integrity</u> |
| <u>Authorized Use of I.M.P.A.C</u> |
| <u>Unauthorized Use of I.M.P.A.C</u> |
| <u>How to Obtain an I.M.P.A.C</u> |
| <u>Dollar Limits</u> |
| <u>Changing Card Limits</u> |
| <u>Contacting U.S. Bank for Information</u> |
| <u>Cardholder Procedures – Making a Purchase</u> |
| <u>Cardholder Procedures</u> |
| <u>Greening</u> |
| <u>Suspension of IMPAC Privileges</u> |
| <u>Card Approving Officials Responsibilities</u> |
| <u>Acquisition and Logistical Services Responsibilities</u> |
| <u>Audit/Review Process</u> |
| <u>General Accounting</u> |
| <u>Security of IMPAC</u> |
| <u>Lost/Stolen Cards</u> |
| <u>Administrative Changes in Cardholder Status</u> |
| <u>Financial Control</u> |
| <u>Unauthorized Purchase List (Attachment A)</u> |
| <u>Purchase Considerations (Attachment B)</u> |
| <u>Request for I.M.P.A.C. (Attachment C)</u> |
| <u>Terms and Conditions for Use of the IMPAC (Attachment D)</u> |
| <u>Notification to Property – Sensitive Items (Attachment E)</u> |
| <u>Cardholder Statement of Questioned Item (Attachment F)</u> |
| <u>Suspension Memorandum (Attachment G)</u> |

THE PURCHASE CARD (I.M.P.A.C.) PROGRAM

1. INTRODUCTION

- To help reduce the burden in procuring items under the simplified acquisition threshold, the General Services Administration (GSA) has issued a contract for Government wide Commercial Credit Card Services - known as I.M.P.A.C. The bank is U.S. Bank.

Using the I.M.P.A.C. is a simplified acquisition method and, as such, is subject to the simplified acquisition provisions established in the Federal Acquisition Regulation (FAR), the NCI-Frederick Policies and Procedures, and the NCI-Frederick Customer Guide.

- I.M.P.A.C. is designed to 1) reduce procurement lead time and the cost of processing purchase orders; 2) streamline payment procedures and reduce paperwork; 3) improve cash management practices such as forecasting, consolidating payments; 4) provide procedural checks/feedback to improve management control and decision making.
- **The I.M.P.A.C. (a VISA card) has been designed so that it will not be confused with personal credit cards. The card bears the Great Seal of the United States and has the unique and legal protected name I.M.P.A.C. along with the United States of America printed on the face of the card.**
- **The Card has the cardholder's name embossed on it, and in accordance with VISA International regulations, can ONLY be used by that individual.**
- It is the policy of the NCI-Frederick to use the I.M.P.A.C. for purchases up to the micro-purchase threshold, i.e., \$2,500, where authorized and feasible. The card must not be used for:

Requirements which necessitate other than routine terms and conditions
Requirements which are too complex to be conveyed orally
Requirements listed as 'not authorized' to purchase with the I.M.P.A.C.
Situations in which the cardholder believes the Government's best interest will be served by purchasing via the NCI-Frederick Purchasing Department.

Approval must be received from the Purchasing Department to utilize the card for the above exceptions prior to placing any order.

2. PURPOSE

- These operational instructions are intended to provide NCI-Frederick employees guidance in the use of the I.M.P.A.C. Designation of an individual to be a cardholder and/or Card Approving Official (CAO) is a contractor or program prerogative, subject to compliance with the training, certification, or other provisions of this manual.

Contractors or programs may supplement this document to provide further guidance for their Cardholders, CAOs, and Administrative Officers (AOs)

3. DEFINITIONS

- Agency/Organization Program Coordinator (A/OPC): The A/OPC serves as the focal

July 2006

point for coordination of the applications, issuance and destruction of cards, establishment of reports, and administrative training. This individual also serves as the liaison between the NCI-Frederick, U.S. Bank and the GSA contracting officer. She/he oversees the I.M.P.A.C. program and the established guidelines. Changes to dollar limitations or authorized merchant codes must be submitted by the A/OPC to U.S. Bank. The A/OPC for the NCI-Frederick is:

Cindy Farling, Supervisor, Purchasing
Building 1050, Room 224
Telephone: voice – 301-846-5415, fax – 301-846-5311
E-mail address: cfarling@ncifcrf.gov

Alternate: Lori Smith, Purchasing Administrator, Purchasing
Building 1050, Room 225A
Telephone: voice – 301-846-1705, fax – 301-846-5311
E-mail address: lsmith@ncifcrf.gov

- NCI-Frederick Reconciliation Program: Allows for the transactions by the cardholder or designee to reconcile on a daily basis. Transactions are uploaded each business day into the Reconciliation Program. The Program auto generates an e-mail to each card holder who has made a transaction indicating it is available to be matched to their order and reconciled. Reconciled transactions are posted daily to the General Ledger by the Purchasing Department.
- Billing Cycle Purchase Limit (Monthly Cardholder Purchase Limit): The spending limit imposed on a Cardholder's cumulative purchases in a given month.
- Billing Cycle Office Limit (Monthly Office Limit): The monthly program area budgetary limit established for each CAO. This amount must be equal to the total of all Billing Cycle Purchase Limits the CAO is responsible for.
- Card Approving Official (CAO): The CAO should be the Cardholder's immediate supervisor or a higher-level official, or the Cardholder's Administrative Officer (NCI). The CAO may designate an alternate to perform the functions outlined in paragraph 16 of this document when the CAO is unavailable.
- Designated Billing Office (General Accounting) Contact: The General Accounting contact will receive the official invoice from U.S. Bank and will be responsible for payment. The Designated Billing Office contact is:

Kathy Hoffman, Manager, Accounting Functions
92 Thomas Johnson Drive
Suite 250
Telephone: voice - 301-846-5989, fax - 301-846-7082
E-mail address: khoffman@ncifcrf.gov

Alternate: Judy Fogle, General Accounting
92 Thomas Johnson Drive

Suite 250

Telephone: voice- 301-846-1137, fax- 301-846-7081

E-mail address: jfogle@ncifcrf.gov

- Dispute Office Contact: This individual will monitor all disputed purchases, credits, or billing errors. Cardholders and CAO are responsible for reconciling and resolving disputes and credits directly with the vendor. The Dispute Office contact is:

Jeannie Hilderbrand,
Acquisition Support, Purchasing
Building 1050, Room 225A
Telephone: voice 301-846-1716, fax - 301-846-5311
E-mail address: jhilderbrand@ncifcrf.gov

- I.M.P.A.C.: An acronym that stands for “International Merchant Purchase Authorization Card” also known as Government wide commercial purchase card. These initials will also appear on forms and cards provided by U.S. Bank. It is a Purchase Card that means that every statement has to be paid in full. No credit or debit balances will be forwarded to the next statement.
- Internal Audit Department: Responsible for auditing all statement of accounts and associated documentation to ensure purchases are contract related, verifying and notifying the A/OPC of any discrepancies to include delinquent reconciliations and paperwork.
- Merchant Codes: Categories assigned by U.S. Bank categorizing each merchant according to the type of business the merchant is engaged in and the kinds of goods and services provided.
- Micro-Purchase: In accordance with the Federal Acquisition Streamlining Act (FASA) of 1994 a Micro-Purchase is a purchase of supplies or services (except construction) with an aggregate amount not exceeding \$2,500. A proposed purchase may not be divided into several purchases for lesser amounts in order to use either the micro-purchase or simplified acquisition procedures since this practice would be a violation of procurement law.
- U.S. Bank: U.S. Bank is the current contractor that will maintain all I.M.P.A.C. accounts, issue purchase cards, send monthly statements to cardholders, CAOs, and General Accounting and provide various reports to the A/OPC.
- Single Purchase Limit: The single purchase limit is the maximum dollar amount of a single transaction. The single purchase limit will normally be set at \$500. It can be set higher, however CANNOT exceed \$2,500 without further training by Purchasing.
- Statement of Account (SOA): The SOA is a monthly listing of all payments for purchases and credits made by the cardholder and billed by the merchant.

4. TRAINING

- Prospective cardholders must attend a training course. The cardholder and CAO will sign a statement ([Attachment D](#)) that he/she has been fully trained, understands and will

July 2006

abide by all policies and procedures regarding the card usage prior to receiving an I.M.P.A.C..

5. STANDARDS OF CONDUCT

- Contractor and Government employees expending public monies hold a public trust; their conduct must meet the highest ethical standards. All NCI-Frederick employees shall use this card only to purchase supplies and services within the guidelines of this program. Cardholders and CAOs who make false statements on the purchase card records may be terminated from their position and may be fined, imprisoned, or both, as stated in Section 1001, Title 18 United States Code. Contractor employees are subject to the standards of ethical conduct imposed by each contractor.

6. PROCUREMENT INTEGRITY

- Cardholders who have authority up to the micro-purchase limit will not be considered “procurement officials” as provided in the procurement integrity provisions of the Office of Federal Procurement Policy Act (OFPPA) if the total purchases they make during any 12 month period are not expected to exceed \$20,000.

7. AUTHORIZED USE OF I.M.P.A.C.

- Ordering methods such as oral, Internet or fax can be used under simplified acquisition procedures to acquire any type of supplies or services WITH THE EXCEPTION OF those items identified on Attachment A, *Unauthorized Purchases List*. I.M.P.A.C. can be used for orders placed against established NCI-Frederick-wide contracts such as the Laboratory Supplies, Oligonucleotides, Office Supplies or Peptides Contracts. Purchases from open market sources shall be distributed equitably among the qualified suppliers.

8. UNAUTHORIZED USE OF I.M.P.A.C.

- **The I.M.P.A.C. is FOR OFFICIAL USE ONLY. Use of I.M.P.A.C. by a Cardholder for a personal purchase and/or a purchase of supplies or services which the Cardholder had no authority to make, and/or use of the card by a person other than the Cardholder is unauthorized. Use of the card for personal purchases will be a basis for immediate cancellation of the card, possible disciplinary action, and/or possible criminal action. Use of the card by any other individual other than the cardholder will result in disciplinary action up to and including termination of employment with SAIC-Frederick, Inc.**
- Intentional use of this card for unauthorized purposes will be considered as an attempt to commit fraud against the U. S. Government.
- If an unauthorized personal purchase is made, SAIC-Frederick, Inc. General Accounting Department will bill the employee the full cost of the purchases plus interest and administrative debt collection fees and take all actions necessary to collect the debt including, if necessary, salary offset.
- The purchase card may not be used to purchase items on the *Unauthorized Purchases List* (Attachment A).

9. HOW TO OBTAIN AN I.M.P.A.C.

- Government employees: Must submit a Delegation of Acquisition Authority form (NIH 2604) through their AO for purchases to be made using the I.M.P.A.C. The CAO will then contact the A/OPC to receive the *Request for I.M.P.A.C.* and *Terms and Conditions forms* (Attachments C and D).
- Contractor employees: To request an I.M.P.A.C., the designated program area's CAO must submit a *Request for the I.M.P.A.C. form* ([Attachment C](#)) for the individual requesting a set-up as a cardholder. If the program area does not have an existing CAO, a *Request for I.M.P.A.C. form* ([Attachment C](#)) is also utilized for the set-up of a new CAO.
- Each prospective Cardholder and CAO must verify they have read, understand, and agree to abide by the *Internal Procedures for the Purchase Card Program* by signing the *Terms and Conditions for Use of I.M.P.A.C.* ([Attachment D](#)). The signed Terms and Conditions must be attached to the Request form. The *Terms and Conditions* are re-signed yearly by both cardholder and CAO.
- Upon receipt, review, and concurrence of the CAO's request, the A/OPC will submit the application to the bank. When the purchase card is received by the A/OPC, he/she will notify the Cardholder to schedule the training session for use of the NCI-Frederick P-Card Reconciliation Program.

10. DOLLAR LIMITS

- Each purchase card is subject to a Single Purchase Limit, a Billing Cycle Purchase Limit, and a Billing Cycle Office Limit. Neither cardholders nor merchants are allowed to exceed the single purchase limit or split the purchase in order to accommodate the purchase card limit.

11. CHANGING CARD LIMITS

- To raise or lower the Single Purchase Limit, Billing Cycle Purchase Limit, or Billing Cycle Office Limit the CAO must submit the requested change in writing (either via E-mail or memo) to the A/OPC, cfarling@ncifcrf.gov.

12. CONTACTING U.S. BANK FOR INFORMATION

- U.S. Bank should be contacted only to report a LOST OR STOLEN card (Paragraph 21) or to resolve a disputed/questioned item (Paragraph 15). All other questions should be directed to the CAO, AO, or the A/OPC.

13. CARDHOLDER PROCEDURES - MAKING A PURCHASE

- The cardholder is responsible for checking with the CAO to ensure funds are available prior to making a purchase.
- The cardholder must ensure the supplies or services can be described in sufficient detail so the vendors/merchants have a clear understanding of what is being acquired. Some requirements, because of their complexity, may not be suitable for purchase using the purchase card and therefore may necessitate the use of a written Purchase Order.
- The cardholder must determine price reasonableness. Micro-Purchases may be made without securing competitive quotations or any type of value analysis if the prices are considered reasonable. If a cardholder, through prior experience (e.g., comparison with

prices paid previously for the same or similar items, familiarity with the supply/service based on frequent purchasing) knows that the proposed price is fair and reasonable, he/she does not have to do any further prior evaluation or analysis. However, if the cardholder suspects or has information to indicate the price may not be reasonable or is purchasing a supply/service for which no comparable pricing information is readily available, action should be taken to verify that the price is reasonable.

- Cardholders who are buyers within ALS may use the purchase card as a payment mechanism. The documentation requirements will be the same as those required for any other type of acquisition. For proper allocation of funds, a purchase order is cut and a different reconciliation program is utilized.
- To place the order and accept delivery the following procedures will be followed:
 - 1) Confirm the vendor will accept I.M.P.A.C. (VISA card).
 - 2) Advise the merchant the purchase is made under the MD Sales and Use Tax Direct Pay Permit #3. When a vendor will not grant a tax exemption without a certificate, provide a copy of the certificate to the vendor. A copy of this permit is included in your training manual.
 - 3) **Ensure the merchant does not charge a “premium” for the use of the card. If a merchant attempts to impose a premium or additional charge on the purchase, remind them that premiums/surcharges are prohibited by VISA.**
 - 4) Delivery instructions: instruct the vendor to use the following format and list this information on the shipping label and packing slip:

NCI-Frederick
Attn.: PC# /Name and Building
Building 1050 – Boyles Street
Frederick, MD 21702
The term ‘Purchase Card’ or ‘Visa’
 - 5) **When a telephone order is placed for pick-up at a merchant’s facility, the cardholder may designate a staff member to pick up the order. If someone other than the cardholder picks up the order they should sign as having received the item(s). Their signature is not an approval for the purchase on the P-Card but for receipt of the product.**
 - 6) Establish a monthly acquisition file to maintain all documents (e.g., charge slips, credit slip, cash register receipts, packing slips, *Cardholder’s Statement of Questioned Items* form ([Attachment F](#)) etc. for review by the CAO and/or audit purposes.

14. CARDHOLDER PROCEDURES

- **Data Entry** - Enter the information into the NCI-Frederick P-Card System. The description of each item must be identifiable by any reviewer. This is required any time

I.M.P.A.C. is used for a purchase, whether it is done over the counter or by telephone. The order must be entered (header and vendor ID required to secure a PC (Purchase Card) # from the System) prior to placing the order on the telephone or internet as the purchase order number is generated by the P-Card System. When a purchase is made over the counter, the Cardholder may enter the information into the System after the purchase (same day). The cardholder must also obtain a customer copy of the charge slip.

- **Sensitive Items** - Submit *Notification to Property-Sensitive Items* form, if applicable ([Attachment E](#)).
- **Reconciliation** - The cardholder will receive an SOA each month. **The monthly transactions must be processed/reconciled no later than the fifth day after receipt. The Purchase Card Reconciliation Program allows for daily reconciliation of transactions. The cardholder is notified via e-mail each time a transaction is posted from the bank and allows for immediate reconciliation in lieu of waiting for the SOA at the end of the month to reconcile the charge.**
- These procedures include:
 - 1) Reviewing each purchase/credit on the SOA to verify its accuracy.
 - 2) Reconciling the SOA (if not previously reconciled)
 - 3) When appropriate, processing a *Cardholder's Statement of Questioned Item* form ([Attachment F](#)).
- The cardholders are required to maintain a copy of official purchasing records including supporting documentation on file in the program area.
- The cardholder must forward the SOA with the original supporting documentation, e.g., charge slips, credit slips, packing slips, etc., to the CAO. If for some reason the Cardholder does not have documentation of the transaction, he/she must attach an explanation that includes a description of the item, date of purchase, merchant's name and why there is no supporting documentation.
- If the cardholder will be absent from his/her office for more than 4 days after the SOA is received he/she should notify the A/OPC if no system delegation has been made to another employee in the program area to reconcile the account. The P-Card System is set-up to enable daily reconciliation by the cardholder. The System allows delegation to another employee for reconciliation purposes as well. If the absence is extensive and no delegation has been made, the CAO will review the receipts/documentation and sign the SOA with an explanation as to why the cardholder could not process the SOA in a timely manner. **The SOA with receipts/documentation will be forwarded to the A/OPC for processing the reconciliation with the A/OPC setting up training for an administrative alternate in the program area.** Failure to review and/or process the SOA in a timely manner will be grounds to suspend/terminate the purchase card.
- **Cardholder Statement of Questioned Item form ([Attachment F](#)) – This form should be submitted to US Bank to resolve any billing issue and/or disputed transaction. The procedures for use of this form are as follows:**
- **Billing Errors** - If credits for returned or canceled items are not on the SOA, the customer copy of the credit slip should be retained until the transaction appears on the

next SOA. If these credits do not appear on the next SOA, the cardholder must complete a *Cardholder Statement of Questioned Item* form ([Attachment F](#)), attach a copy of the credit slip and forward the documentation to U.S. Bank **within 60 days** of the original invoice date.

- When an incorrect charge is indicated on the SOA, the cardholder must immediately seek to resolve the problem with the vendor. However, the cardholder should reconcile the current SOA as though it were correct since the credit will normally be issued on the following month's SOA.

If the problem cannot be resolved the cardholder must contact the dispute officer, Jeannie Hilderbrand. Upon contacting the Dispute office the cardholder will be required to complete the "Cardholder Statement of Questioned Item" form ([Attachment F](#)) indicating the nature of the problem (i.e., wrong amount charged, etc.) Once all information has been completed this form should be returned to Jeannie Hilderbrand, Bldg 1050 via interoffice mail or via fax (301)846-5311.

A copy of the *Cardholder Statement of Questioned Item* form ([Attachment F](#)) is to be maintained in the official acquisition file. A copy should be attached to the original SOA sent to the General Accounting Department.

Note: Disputes will be submitted to U.S. Bank via Access On-Line by the Purchasing Department as soon as it is identified by the cardholder as a discrepancy i.e., the vendor refuses to correct it, but no later than 60 days after the transaction appears on the SOA. Submission of [Attachment F](#) must be sent to Purchasing prior to the 60 day time frame in order for the invalid charge to be disputed with the Bank.

- If items purchased with I.M.P.A.C. are found to be defective, or if services purchased are found to be unsatisfactory, the cardholder has the responsibility to obtain replacement or correction of the items. If the merchant refuses to replace or correct the faulty item, the purchase will be considered to be in dispute.
- Disputes - Items in dispute are to be handled in the same manner as billing errors. The dispute or error should be indicated on the cardholder's monthly statement and a *Cardholder Statement of Questioned Item* form ([Attachment F](#)) should be prepared and forwarded to:

Jeannie Hilderbrand,
Acquisition Support, Purchasing
Building 1050, Room 225A
Telephone: voice 301-846-1716, fax - 301-846-5311
E-mail address: jhilderbrand@mail.nciferf.gov

15. GREEN TRAINING

All NCI-Frederick cardholders and CAOs must complete Green Training as mandated under Executive Order 13101. New cardholders will be trained by ALS personnel at the time their new card is issued. All existing cardholders and CAOs must complete this training every

two years. Notification of completion is required to be sent to the A/OPC. All cardholders who do not complete this training are subject to suspension of their IMPAC. The A/OPC will send notification and the appropriate links to complete this training to all cardholders and CAOs when appropriate.

16. SUSPENSION OF IMPAC PRIVILEGES

ALS will notify all cardholders of intended suspension of P-Card with past due accounts of 30 days or more utilizing the P-Card Status Report as provided by the General Accounting Department. Cardholders and CAO's will be sent a formalized e-mail (see [Attachment G](#)) indicating a proposed date of suspension of the P-Card if accounts are not brought current within two weeks of the date of e-mail. If the account is not brought to current status during this time frame, the card will be suspended indefinitely, i.e. until A/OPC is notified by the General Accounting Department of receipt of SOA and supporting documentation. When ALS is notified by General Accounting that all accounts are reconciled and/or appropriate paperwork has been received, the account will be unsuspended and the cardholder and CAO notified if appropriate.

17. CARD APPROVING OFFICIALS RESPONSIBILITIES

- The CAO is responsible for the following:
 - 1) Requesting the establishment of new accounts, Single Purchase Limits, Billing Cycle Purchase Limits, and Billing Cycle Office Limits through the A/OPC.
 - 2) Reviewing and approving his/her cardholders' monthly SOA and verifying that all transactions were valid NCI-Frederick purchases made in accordance with these procedures.
 - 3) Forwarding the SOA and attached supporting documents to Judy Fogle, General Accounting, within five (5) days of receipt from Cardholder.
 - 4) Serving as liaison with the A/OPC and General Accounting.
 - 5) Assisting the cardholder in resolving disputed payments and, as necessary, recommending to the A/OPC that a cardholder's card is canceled.
 - 6) Assuring that all official purchase records are maintained by the cardholders and are available for spot audits.
 - 7) Providing formal written notice to the A/OPC if a cardholder's card is lost or stolen. (See Paragraph 21)
 - 8) Informing the Manager, General Accounting of any problems.
- **A CAO must assure that every active Cardholder listed on the monthly summary (submitted by U.S. Bank) reviews and reconciles their SOA within the mandated time limit.**
 - 1) If an SOA has not been reconciled by an active Cardholder listed on the summary the CAO shall follow up with the cardholder to ensure timely processing.

- 2) If the SOA cannot be reconciled in the time limit specified by a Cardholder due to extended leave or illness, the CAO shall review the SOA and supporting documents, process the SOA and forward the documentation in a timely manner along with an explanation of why the cardholder could not process the SOA.

18. ACQUISITION AND LOGISTICAL SERVICES (ALS) RESPONSIBILITIES

- ALS must assure that all prospective Cardholders and CAOs fully understand all policies and procedures regarding card usage and have them sign the *Terms and Conditions for Use of the I.M.P.A.C.* ([Attachment D](#)) to this effect before they receive an I.M.P.A.C.
- ALS must provide training to all prospective Cardholders and CAOs.
- ALS will review the operation of the purchase card program via a monthly report and will notify Cardholders of any errors, incorrect data entry or unauthorized purchases.

ALS will notify all cardholders of intended suspension of P-Card with past due accounts of 30 days or more utilizing the P-Card Status Report as provided by the General Accounting Department. Cardholders and CAO's will be sent a formalized e-mail indicating a proposed date of suspension of the P-Card if accounts are not brought current within two weeks of the date of e-mail. If the account is not brought to current status during this time frame, the card will be suspended indefinitely with no further notification, i.e. until A/OPC is notified by the General Accounting Department of receipt of SOA and supporting documentation. When ALS is notified by General Accounting that all accounts are reconciled and appropriate paperwork has been received, the account will be unsuspended and the cardholder and CAO notified if appropriate.

- The A/OPC serves as the liaison between Cardholders and U.S. Bank, as well as between NCI-Frederick and U.S. Bank.
- ALS personnel will perform daily audits on all bank transactions utilizing the P-Card Transaction Detail Audit report. Transactions will be audited for allowability of purchase, correct sales tax input, and property accountability requirements (notification to Property for decal if required).
- ALS will request from U.S. Bank, cardholder signature copies of receipts for spot auditing to ensure compliance of Internal Procedures on the I.M.P.A.C.
- ALS will file all cardholder disputes that can not be resolved by the cardholder with the vendor. This will be accomplished utilizing the Bank's Access On-Line dispute mechanism. ALS will notify the cardholder when the dispute has been resolved.

19. AUDIT/REVIEW PROCESS

- The Internal Auditor receives a listing of the monthly master SOAs from U.S. Bank and conducts a review of individual cardholder purchases on a random basis, and/or in response to requests from General Accounting, the A/OPC and CAOs.

- This review will consist of reviewing the official acquisition file(s) of the individual cardholder's purchases. This review shall focus on general adequacy of documentation and compliance with published procedures as well as unauthorized purchases and evidence of improper order splitting.
- If inappropriate cardholder purchases are identified, the Internal Auditor will notify the A/OPC, General Accounting, the Finance Department, and U.S. Bank, and may initiate administrative action to cancel the I.M.P.A.C. The A/OPC may recommend other actions, including disciplinary action, as appropriate.

20. GENERAL ACCOUNTING

- General Accounting receives a consolidated report of all card balances. The report is considered the billing invoice. Payment is made to the U.S. Bank according to the Prompt Payment Act provisions for the amount due on the individual cardholders' statements of transactions.
- General Accounting will contact Cardholders and CAOs if disputes remain outstanding more than 60 days.

General Accounting will maintain a P-Card Status Report and notify the A/OPC in report form of all accounts 30 days past the previous US Bank billing date. This includes late reconciliation as well as delinquent paperwork.

General Accounting must receive all original forms and documentation in order to maintain an auditable file record.

21. SECURITY OF I.M.P.A.C.

- The Cardholder is responsible for the security of the I.M.P.A.C. and will be personally liable for its misuse. If the card is lost (or missing), the cardholder **must** notify the U.S. Bank immediately per guidance set forth in Paragraph 21 below.

22. LOST/STOLEN CARDS

- NCI-Frederick will not be liable for any unauthorized use of the I.M.P.A.C.; however, the cardholder may be held negligent and administratively accountable to NCI-Frederick if the loss is not reported in a timely manner.
- Telephone Notification: Should the card be lost or stolen, it is important that the cardholder notify U.S. Bank immediately at the following numbers 24 hours/day
 - (1) Inside the Continental United States - 1-800-227-6736
 - (2) Outside the Continental United States - Call collect 701-461-2020
- Written Notification: The call to U.S. Bank must be followed up with a formal written notice. The cardholder must also notify the CAO, NCI-Frederick Protective Services, and the A/OPC within one workday after discovering that the card is missing. The CAO shall submit a written report to the A/OPC within five working days. The report will include:

- 1) The card number

- 2) The cardholder's complete name
 - 3) The date and location of the loss
 - 4) If lost/stolen, date reported to police
 - 5) Date and time U.S. Bank notified
 - 6) Any purchase(s) made on the day the card was lost/stolen
 - 7) Any other pertinent information
- Card Replacement: A new card will be mailed within two (2) business days of the reported loss or theft. A card that is subsequently found by the cardholder after being reported lost or stolen must be cut in half and forwarded to the A/OPC.

23. ADMINISTRATIVE CHANGES IN CARDHOLDER STATUS

- Separation of Cardholder:
 - 1) Before a cardholder transfers to another program, retires, or resigns from the NCI-Frederick, the cardholder must cut the card in two pieces and turn it in to the CAO.

The CAO will forward the cut up I.M.P.A.C. to the A/OPC, who will notify U. S. Bank. The A/OPC will notify General Accounting of new cards issued and cards terminated on a monthly basis.
 - 2) I.M.P.A.C. holders who intend to retire, or resign, from NCI-Frederick should cease using the I.M.P.A.C. 45 days prior to the effective date of their action. If a monthly SOA is received and the employee is no longer available to complete the SOA, the monthly SOA will be processed and signed by the CAO and an explanation for the lack of the cardholder's signature will be provided when the SOA is sent to General Accounting. General Accounting will notify ALS and reconciliation of statement will be provided by the Purchasing Department.
 - 3) I.M.P.A.C. holders whose employment has been terminated by other than the normal process will surrender the I.M.P.A.C. to the Human Resources Department representative conducting the termination. The Human Resources Department will notify the A/OPC and return the card to the A/OPC.
- When a CAO transfers, retires, resigns, or otherwise leaves the NCI-Frederick the monthly SOA shall be signed by the Alternate CAO. The A/OPC can act as the alternate CAO temporarily until a new CAO has been established.

24. FINANCIAL CONTROL

- It is the responsibility of the Cardholder to assure that funds are available in the budget for the purchases made with the P-Card. The cost centers are not charged with the purchases until they have been reconciled in the NCI-Frederick P-Card System. At the beginning of each fiscal year funding is often uncertain, and therefore it is essential that

cardholders check with the CAO to assure that funds are available before making any purchases.

UNAUTHORIZED PURCHASE LIST

The following is a list of all purchases that may NOT be made using the I.M.P.A.C. Questions may be directed to the A/OPC.

- Under no circumstances will the I.M.P.A.C. be used for cash advances through a bank teller or ATM machines.
- Materials, supplies, and services requiring prior NCI approval (COA).
- Materials, supplies, and services requiring prior approval of the Laboratory Animal Sciences Program (LASP), Environmental Health & Safety (EHS), and the Institutional Review Board (IRB).
- Items identified as unallowable in accordance with NCI-Frederick Contracts. Examples: decorative and personal effect items such as pictures, plants, personalized stationary or greeting cards; food/drink items, meals, medications (except for animals); coffee pots and toasters; paper plates, cutlery
- Any costs involving a collaborative effort
- Any cost that requires a separate agreement (such as a user license, web order requiring a “click” to agree to their terms and conditions prior to placing order, etc.) without prior approval from Manager, Purchasing
- Costs for items or services delivered to or for any entity other than NCI-Frederick.
- Any other item or service intended for personal use, whether the item is provided free by the vendor or not.
- **Cardholders are not allowed any personal gain from use of Government monies**

Unallowable Example: *A vendor has a promotion on copy paper, buy two reams and receive one free bag of coffee beans. The free coffee beans are not an allowable contract cost as well as no employee is allowed personal gain from use of Government monies.*

Allowable Example: *A vendor has a promotion on copy paper, buy two reams and receive a third ream of paper free. The free paper is an allowable contract cost and there is no personal gain from use of the monies as the free paper can be used by the program area.*

- Safety glasses and prescription glasses
- Capital equipment
- Business cards (SAIC-Frederick, Inc. only)

- Ethyl Alcohol
- Controlled substances and regulated chemicals
- Rental or lease of motor vehicles, land, or buildings
- Alarm System
- Consultant Services
- A & E Services (design fees, etc.)
- Temporary Help
- Construction
- Incentives (Must be pre-approved by FAS/SAIC-Frederick employees – must be from company profit account).
- Vehicle Operating Expenses – Must go through Fleet Management Services
- Fuel for Government vehicles, except in emergency situations (Must use Fleet Card)
- Equipment repair (must go through Maintenance Services Group, Purchasing Department).
- Services usually provided through FME work orders
- Travel expenses (including Metro Fare Card for local travel- Must be submitted on a General Expense Form).
- Registration fees, meals (unless prior approval obtained by FAS and A/OPC)
- Lodging expenses
- I-Pod, MP3 Player or any other type of device that's primary function is to play music files.
- Commercial transportation costs, parking fees, i.e. Colonial Parking tickets, etc. (Must be submitted on a General Expense Form).
- Facsimile, internet charges or telephone calls. This includes any business call while away from the office.

NOTE: Registration fees for seminars and or conferences are unallowable on the

July 2006

I.M.P.A.C. All registration fees must be submitted through the SAIC-Frederick, Inc. Travel Department. This includes registration for local seminars/conferences with no overnight stay.

- Goods or Services requiring a 'Statement of Work' due to the complexity of the procurement.
- Hazardous Materials such as the following:
 - Explosives
 - Flammable or toxic gases
 - Compressed gases
 - Flammable liquids
 - Flammable solids
 - Spontaneous combustible materials
 - Materials which are dangerous when wet
 - Oxidizers and organic peroxides
 - Toxic and infectious substances
 - Corrosives
 - Radioactive materials
 - Any other miscellaneous dangerous goods.
- All systems furniture (Trendway, Allsteel, Steelcase)
- Any furniture (including custom made) that requires installation or design fees which must be purchased through the Purchasing Department. If unsure, the Cardholder must check with A/OPC prior to purchase for allowability.

PURCHASE CONSIDERATIONS

The following is a list of suggested actions/clearances/requirements that should be made prior to purchases with the I.M.P.A.C. Questions may be directed to the A/OPC.

- Art Work, Graphic & Photographic and Duplication and
- Use the NCI-Frederick Scientific, Publications Graphics Media (SPGM)
- Filing Cabinets surplus
- Check with NCI-Frederick Property Department for surplus
- Office Equipment surplus
- Check with NCI-Frederick Property Department for surplus
- Greening
- Whenever possible try to purchase items made from recycled content products, environmentally preferable products and services, biobased products, energy- and water-efficient products. For more information on these types of purchases visit:
<http://www.ofee.gov/gp/pg.htm>
- Small Businesses
- Whenever possible give preference to disadvantaged businesses, i.e., Small, Woman Owned, HUBZone.
- Office Furniture
- Check with NCI-Frederick Property Department for surplus
* All system furniture (Trendway, Allsteel, Steelcase) and any furniture (to include custom made), that requires installation or design fees) must be purchased through Purchasing and not on the I.M.P.A.C. Check with A/OPC prior to purchase for allowability.
- Laboratory Supplies
- Mandatory sources are Fisher Scientific and Daigger. Purchasing places orders with both vendors on a daily basis.
- Office Supplies
- Caddo, Faison and Alpha. Please use these vendors for discounts.
- Oligos
- Contracts are established with Operon & Integrated DNA, and Invitrogen. Use these vendors.
- Peptides
- Contracts are established with Sigma Genesis & Invitrogen. Use these vendors.
- Computer Equipment (hardware, software)
- **Must** be equipped with or meet efficient low-power standby feature as defined by the EPA Energy Star

program. Further information on these requirements MUST be obtained from Purchasing or the A/OPC prior to purchase.

- Books
 - Are considered government property. All books **must** be stamped with property stamp – ‘Property of NCI-Frederick’. Full title and ISBN **must** be entered into the P-Card System.
- Journals/Subscriptions
 - Can only be purchased if **not** available on the Subscription Contract.
- Memberships
 - Must indicate if a journal is part of membership when entering the data into the NCI-Frederick P-Card System. No personal memberships are allowed for Government personnel.
- Wireless Devices
 - Requests for wireless equipment and/or service **must** be forwarded through the supervisor to the Directorate with appropriate justification. Approval **must** be received before obtaining any wireless equipment and/or service. Contact Jeannie Hilderbrand, ext. 1716 available.
for information on the various service plans
 - * See Administrative Handbook Section D301 for procedure
- IntraMall
NIH.
contact
 - The IntraMall is a ‘Shopping Mall’ established by
If any cardholder is interested in learning more
the A/OPC to be registered for use.

REQUEST FOR THE I.M.P.A.C.

A government-authorized I.M.P.A.C. purchase card is requested for the following individual at the NCI-Frederick. Training in the use of the I.M.P.A.C. card either has been received or will be given prior to issuing the card. Signature by the proposed Cardholder and the Card Approving Official (CAO) certifies **understanding and acknowledgment** that such training has to be completed before the card may be issued or used.

The I.M.P.A.C. may be used only for official NCI-Frederick purchases and may not be used for personal requirements for any personal gain. All regulations and reporting requirements enumerated in the training must be adhered to by the Cardholder and the CAO. No individual's I.M.P.A.C. purchases may exceed \$20,000 per year unless additional Purchasing Official training has been received by the individual through the Purchasing Department.

Cardholder:

Name: _____ Ext.: _____

Program Area : _____ Location: _____

Center Number(s): _____

Employee Number: _____ E-mail: _____

I request an I.M.P.A.C. Signature: _____ Date: _____

Card Approving Official (CAO): Must be proposed Cardholder's supervisor or higher level and must have Fiscal Authority for Center Number.

Name: _____ Title: _____ Ext.: _____

Program Area: _____ Location: _____

Signature: _____ Date: _____

Requested Single Purchase Limit (may not exceed \$2,500): _____

Requested Monthly Purchase Limit: _____

=====

Do not write below this line

CAO #: _____ New: _____

Agency/Organization Program

Coordinator Signature: _____ Date: _____

Attachment D

July 2006

TERMS AND CONDITIONS FOR USE OF THE I.M.P.A.C.

The undersigned, by his/her signature on this document, verifies that he/she has **read and understands** the 'Internal Procedures for the Purchase Card (I.M.P.A.C.) Program' procedures and agrees to abide by those instructions and the following conditions:

- All purchases will be for official use only; no purchase of personal items will be made.
- Responsibility for assuring that purchases are authorized and in accordance with law and regulation will rest with the undersigned. In cases where doubt exists over the legitimacy of a purchase, the undersigned is responsible for seeking advice from the A/OPC prior to the purchase.
- If a Purchase Card is lost or stolen, the undersigned agrees to follow the prescribed reporting instructions without delay.
- The undersigned understands that if the monthly reconciliation and/or supporting documentation are not completed and received within the time frames allowed per the Policy and Procedure, card privileges will be suspended or revoked and the Cardholder may be held personally liable.
- The undersigned will surrender his/her Purchase Card or Approving Authority upon termination of his/her current employment or at any time upon request of the A/OPC.

I have **read and understand** this document and the documents referenced and voluntarily agree to accept responsibility for a U.S. Government Purchase Card for the NCI-Frederick on these terms,

() as Cardholder

() as Card Approving Official

(Program Area)

(Building and Room)

(Typed or Printed Name)

(Signature)

(Date)

(Telephone Number)

NOTIFICATION TO PROPERTY - SENSITIVE ITEMS

The following items are classified 'sensitive' and the purchase must be reported to Property for property accountability. Please check the appropriate description below of accountable property to be decaled:

- ~ Cellular Phone(s): Telephone number(s): _____
 - ~ Voice Recorder/Transcriber (one unit models; can be digital, mini, microcassette or any model that utilizes transcription software)
 - ~ Pagers
 - ~ Facsimile Machines
 - ~ Freezers
 - ~ Gamma Counters
 - ~ Geiger Counters
 - ~ Microscopes
 - ~ Incubators
 - ~ Laser Disc Player
 - ~ DVD Players
 - ~ Blackberry
 - ~ Palm Pilot
 - ~ Laboratory Balances
 - ~ Liquid Scintillation Counters
 - ~ Microwave Ovens
 - ~ Personal Computers:
CPU ___ Monitor ___ Printer ___ Portable PC ___ (to include Pocket a Pocket PC device)
 - ~ Photographic Cameras and Lenses
 - ~ Refrigerators
 - ~ Scanners
 - ~ Spectrophotometer
 - ~ Televisions
 - ~ Video Recorders
 - ~ VCRs
- ~ 2-Way Radios
~ Power Tools

| | |
|--------------------------------|-------------------|
| Model # _____ | PO # _____ |
| Serial # _____ | |
| Name: _____ | |
| Building/Room # : _____ | |

I.M.P.A.C. Cardholder Statement of Questioned Item

Purchasing GPP

(Please print or type in black ink)

CARDHOLDER NAME (please print or type)

ACCOUNT NUMBER

CARDHOLDER SIGNATURE

DATE

(AREA CODE) TELEPHONE NUMBER

The transaction in question as shown on Statement of Account:

| Transaction Date | Reference Number | Merchant | Amount | Statement Date |
|------------------|------------------|----------|--------|----------------|
| | | | | |

Please read carefully each of the following situations and check the one most appropriate to your particular dispute. If you have any questions, please contact us at 800-227-6736. We will be more than happy to advise you in this matter.

1. UNAUTHORIZED MAIL OR PHONE ORDER
☐ I have not authorized this charge to my account. I have not ordered merchandise by phone or mail, or received any goods or services.
2. DUPLICATE PROCESSING--THE DATE OF THE FIRST TRANSACTION WAS _____
☐ The transaction listed above represents a multiple billing to my account. I only authorized one charge from this merchant for this amount. My card was in my possession at all times.
3. MERCHANDISE OR SERVICE NOT RECEIVED IN THE AMOUNT OF \$ _____
☐ My account has been charged for the above transaction, but I have not received the merchandise or service. I have contacted the merchant but the matter was not resolved. (Please provide a separate statement detailing the merchant contract, and the expected date to receive the merchandise).
4. MERCHANDISE RETURNED IN THE AMOUNT OF \$ _____
☐ My account has been charged for the above listed transaction, but the merchandise has since been returned.
 Enclosed is a copy of my postal or UPS receipt.
5. CREDIT NOT RECEIVED
☐ I have received a credit voucher for the above listed charge, but it has not yet appeared on my account. A copy of the credit voucher is enclosed.
 (Please provide a copy of this voucher with this correspondence).
6. ALTERATION OF AMOUNT
☐ The amount of this charge has been altered since the time of purchase. Enclosed is a copy of my sales draft showing the amount for which I signed. The difference of amount is \$ _____.
7. INADEQUATE DESCRIPTION/UNRECOGNIZED CHARGE
☐ I do not recognize this charge. Please supply a copy of the sales draft for my review. I understand that when a valid copy is sent to me, a Statement of Questioned Item Form must be provided and will include the copy of the sales draft if a further dispute exists. If a copy of the sales draft cannot be obtained, a credit will appear in my account.
8. COPY REQUEST
☐ I recognize this charge, but need a copy of the sales draft for my records.
9. SERVICES NOT RECEIVED
☐ I have been billed for this transaction, however, the merchant was unable to provide the services.
☐ Paid for by another means. My card number was used to secure this purchase, however final payment was made by check, cash, another credit card, or purchase order. (Enclosed is my receipt, canceled check (front and back), copy of credit card statement, or applicable documentation demonstrating that payment was made by other means).
10. NOT AS DESCRIBED
☐ (Cardholder must specify what goods, services, or other things or value were received). The item(s) specified do not conform to what was agreed upon with the merchant. (The cardholder must have attempted to return the merchandise and state so in their complaint).

11. If none of the above reason apply-please describe the situation:

(Note: Provide a complete description of the problem, attempted resolution and outstanding issues. Use a separate sheet of paper, if necessary, and sign your description statement).

Send To: I.M.P.A.C. Government Services
 P.O. Box 6346
 Fargo, ND 58125-6346
 Fax: 701-461-3466.

US bank.
 I.M.P.A.C.
 Government Services

Form: CSQIGPPPUR-RO 9/98

Example of Suspension Memorandum for Delinquent Accounts

The below memorandum will be sent by mail as well as an e-mail attachment to both the cardholder and the card approving official:

Date:

To: Cardholder

Through: Card Approving Official

From: Cynthia Farling,
A/OPC, Purchasing Department

Subject: Suspension of I.M.P.A.C. Privileges

The General Accounting Office has notified me your account is 30 days past due. Please complete your reconciliation and/or submit your delinquent paperwork within two weeks of the date of this memorandum or your I.M.P.A.C. will be suspended. The General Accounting Office will notify me once receipt of your reconciled statement with the appropriate attachments is received. Upon approval of your card approving official, your card will be reactivated for use.

If you need any assistance with the reconciliation of your account or supporting documentation, please contact myself or Lori Smith at extension 5415 or 1705.

Please contact me if you have any questions. Thank you for your prompt attention to this matter.

Cc: Kathy Hoffman – Internal Audit

Cc: Judy Fogle – General Accounting